



AboveNet™

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AboveNet, Inc.  
360 Hamilton Avenue  
White Plains, NY 10601  
www.above.net

April 16, 2012

South Carolina Office of Regulatory Staff  
Attn: Mr. James McDaniel

Re: AboveNet Communications, Inc.  
Verification – that does not provide residential local exchange

Mr. McDaniel:

As per our telephone conversation regarding your e-mail of notice of non-compliance – AboveNet Communications does not provide residential local exchange service.

If you have any further questions or need any additional information please feel free to contact me at (914) 421-7546.

Best Regards,

William T. Scheppy  
Tax Manager  
Phone: (914)-421-7546  
Fax: (914)-421-6716  
Email: wscheppy@above.net

RECEIVED

APR 17 2012

PSC SC  
MAIL / DMS

**Scheppy, William**

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**From:** McDaniel, James [jmcदानie@regstaff.sc.gov]  
**Sent:** 03/15/2012 8:42 AM  
**To:** McDaniel, James  
**Cc:** Hipp, Dawn  
**Subject:** FW: FINAL NOTICE: SC Performance Bond Requirement

**From:** Gordon, Jeanne  
**Sent:** Thursday, March 15, 2012 8:39 AM  
**To:** McDaniel, James  
**Subject:** FINAL NOTICE: SC Performance Bond Requirement

March 15, 2012

**NOTICE OF NON-COMPLIANCE**

**Subject:** 26 S.C. Code Ann. Regs. 103-607 (Supp. 2011)  
Telephone Utilities Providing Retail Residential Local Exchange Services

**To:** Telephone Utilities Operating in South Carolina

On August 8, 2011, the South Carolina Office of Regulatory Staff ("ORS") notified all telephone carriers holding Certificates of Public Convenience and Necessity to provide telecommunications in South Carolina that revised regulations had become effective on June 24, 2011. Revised regulation 26 S.C. Code Ann. Regs. 103-607 (Supp. 2011) requires all telephone utilities that provide retail residential local exchange service that have not invested at least five million dollars in telecommunications facilities in South Carolina to file a bond or other security mechanism with the Public Service Commission of South Carolina ("PSC").

The ORS records indicate your company is out of compliance with the PSC bond requirement. Companies were required to file a bond by no later than December 31, 2011. In order to maintain a compliant operating certificate, your company must:

- 1) Verify in writing that it does not provide residential local exchange service; or
- 2) Verify that the Company individually or together with its affiliates has invested at least five (5) million dollars in telecommunications facilities in South Carolina; or
- 3) File a bond or other security mechanism consistent with Regulation 103-607.

This information is due to ORS and the PSC by no later than **April 15, 2012**. Failure to comply with this PSC regulation will result in revocation of your operating certificate.

Please contact me if you have any questions related to the bond requirement.

Sincerely,  
Jim McDaniel  
Program Manager  
South Carolina Office of Regulatory Staff  
803-737-0812